1. Banks have been impressed upon to institute a viable recovery system with a view to help recycling the scarce resources of the banks to the needy and productive sectors of the economy on the one band and to improve the profitability and viability of the lending banks, on the other.

2. Introduction of comprehensive and uniform grading system to indicate the health of individual advances for the purpose of their effective monitoring and follow up.

3. *Ho* keep a watch on the re covery of top sticky accounts.

4. Taking corrective action where advances are found to have become sticky.

5. Recently, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 has been enacted for expeditious adjudication and recovery of debts due to banks and for matter collected therewith or incidental thereto.

In this connection it may be stated that banks grant advances for the viablevantures to various sectors of economy after assessing their need base credit requirements. However, there is likelihood that some accounts unit may become sticky/sick due to factors often beyond the control of the banks. Weaknesses in internal control inadequate credit appraisal and post disbursement supervision are also causes for some advances becoming sticky.

Foreign investment and technology Collaboration

476. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE : pleased to state:

(a) what is the total number of proposals cleared by R.B.I, for foreign (investment and technology collaboration during the last two years; and

(b) what are the results achieved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED). (a) The total number of proposals cleared by R.B.I, after the announcement of the New Industrial Policy, is as follows;

Year	No. of proposals for investment	No. of proposals for technology transfer
1991 (Sept.-Dec.)	40	183
1992	249	397

(b) The results are encouraging as there has been significant increase in the approvals accorded for foreign investment.

477. *{Transferred to* 13th December, 1993)

Setting up of non-Government Banks

478. SHRI JAGDISH PRASAD MATHUR:

SHRIGURUDAS DAS GUPTA:

SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state;

(a) whether any decision has been taken to permit setting up of non-Government banks;

(b) whether foreign nationals and institutions are also likely to be permitted to operate; if so, under what conditions; and

(c) what are the names of Indian and foreign entrepreneurs who have made a bid to establish banks and the areas they intend to operate in?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND